

## Very strong business growth in the third quarter of 2014

- **Q3 2014 revenue of €381 million, up 16 percent on a comparable basis<sup>1</sup>**
- **Revenue for the first nine months: €1.084 billion, up 19 percent on a comparable basis<sup>1</sup>**
- **Double-digit growth in both Payment Terminals and Transactions**
- **GlobalCollect acquisition completed**
- **2014 guidance (excluding GlobalCollect) raised**
  - **Organic growth<sup>1</sup> above 15 percent**
  - **EBITDA margin<sup>2</sup> between 22.5 and 23 percent**

Ingenico Group (Euronext: FR0000125346 - ING) announced today its revenue figures for the third quarter of 2014.

(in millions of euros)	Q3 2014	Q3 2013 pro forma	Q3 2013 reported	2014/2013 change - reported basis	2014/2013 change - comparable basis <sup>1</sup>
Revenue	381	328	348	+9%	+16%

Philippe Lazare, the Chairman and CEO of Ingenico Group, commented: *"We are extremely pleased with our performance in the third quarter, and more generally since the beginning of 2014.*

*In Europe, our service business, supported by our range of in-store, on-line and mobile payment solutions, has continued to gain traction. In the United States, revenue is up 90 percent this quarter, driven by the early deployment of EMV solutions for Tier 1 retailers ahead of the festive season. Our business has continued to expand in the emerging markets, particularly in Asia-Pacific.*

*Innovation is a key pillar of our strategy, and its impact will be strongly felt with the upcoming launch of our latest operating system, which for the first time combines secure payment and business applications for merchants. We are looking forward to unveiling the OS at Cartes (France) and Money2020 (U.S.) trade shows early November.*

*In Payment Services, the Ogone and GlobalCollect sales teams began working together as soon as the acquisition was completed, and I am delighted with how extensive their interaction has already been.*

*In this context, we confirm our revenue guidance and raise our profitability guidance for the year."*

<sup>1</sup> On a like-for-like basis at constant exchange rates

<sup>2</sup> EBITDA is not an accounting term; it is a financial metric defined here as profit from ordinary activities before amortization, depreciation and provisions and before expenses of shares distributed to employees and officers

## Subsequent events

### Acquisition of GlobalCollect completed

On September 30, Ingenico Group finalized the acquisition of GlobalCollect, a leading global online full service payment provider, after approval by the relevant regulatory and antitrust authorities. This acquisition reflects the acceleration in the implementation of the Group's strategy on a global scale, and will enable Ingenico Group to continue to simplify payment for its customers, everywhere across the world and across all channels: in store, on line and mobile.

### Conversion request for 2017 convertible bonds

To date, 2,195,267 convertible bonds, representing approximately 33% of the convertible bond/OCEANE, were converted into 2,228,188 shares.

The Group reminds that all the remaining convertible bonds may be subject to an early repayment starting on January 15, 2015<sup>3</sup>. In that case, a total of 4,549,314 new shares would be issued. As of October 29, 2014 the share capital was composed of 56 110 633 shares.

## Revenue

*To facilitate the assessment of the Group's performance, consolidated revenue for the first nine months of 2014 is compared here with pro forma revenue with effect from January 1, 2013 to reflect the deconsolidation of TransferTo carried out in 2013.*

	As of September 30, 2014			3rd quarter 2014		
	€M	Change 2014/2013		€M	Change 2014/2013	
		Comparable* <sup>1</sup>	Reported		Comparable* <sup>1</sup>	Reported
Europe-SEPA	418	9%	-3%**	142	9%	-3%**
Asia Pacific	207	23%	20%	74	16%	16%
Latin America	144	4%	-5%	50	-2%	0%
North America	125	62%	52%	51	69%	65%
EMEA	183	28%	110%	62	20%	107%
Central Operations	7	55%	-91%**	2	53%	-92%**
Total	1,084	19%	8%	381	16%	9%

\* Reflecting the new regional breakdown and the disposal of TransferTo as of January 1, 2013

\*\*Based on 2013 revenue including the contribution of Italy and Eastern Europe in Europe-SEPA and of TransferTo (disposed of in December 2013) in Central Operations

### Performance in the first nine months

In the first nine months of 2014, revenue totaled €1,084 million, representing an 8 percent increase on a reported basis, including a negative foreign exchange impact of €38 million. Total revenue included €903 million generated by the Payment Terminal business and €181 million generated by Transaction Services.

On a comparable basis<sup>1</sup>, revenue growth was 19 percent higher than in the prior-year period, driven by double-digit growth in both segments. Performance in Payment Terminals (up 19 percent) was fostered by accelerated order deliveries in countries like Canada and Italy along with strong dynamism in the United States. Revenue growth in Transaction Services business increased by 3-point to 15 percent<sup>4</sup>, thanks to good results for in-store and online payment solutions.

<sup>3</sup> With an advance notice of at least 30 calendar days, bonds are redeemed at a price equal to their nominal value plus accrued interests, if the arithmetic mean of the opening quoted prices on Euronext Paris Paris calculated over 20 consecutive trading days as selected by the Group from the 30 trading days preceding the date of notice of such early redemption and the conversion/exchange ratio at the date concerned (1 OCEANE for 1.015 shares) exceeds 130% of the bond nominal value (€37.44)

<sup>4</sup> Compared to 2013 pro forma (without TransferTo contribution in 2013)

Since the start of the year, all regions have contributed to the Group's overall performance. In Europe-SEPA, Ingenico Group has been deploying its payment service strategy - in-store, on-line and mobile - through Ingenico Payment Services.

As anticipated, the Group has accelerated its growth in North America (up 62 percent) driven by Ingenico Group's active involvement with EMV payment solutions in the United States and delivery ahead of schedule of a large order for Moneris in Canada.

In fast-growing emerging countries, Ingenico Group has continued to enjoy strong revenue growth, confirming its leadership in such key markets as China and Brazil. The Group continues its expansion in other emerging markets through greater direct presence (particularly in Indonesia and Russia) and an increasingly dense commercial network, notably in the EMEA region.

### Performance in the third quarter

In the third quarter of 2014, revenue totaled €381 million, representing a 9 percent increase on a reported basis, including a negative foreign exchange impact of €1 million. Total revenue included €318 million from the Payment Terminal business and €63 million from the Transaction Services.

On a comparable basis<sup>1</sup>, revenue growth was 16 percent above Q3 2013, driven by 16 percent organic growth in both business segments. Ingenico Group's performance in Payment Terminals was fueled by ongoing deployment of its multi-local strategy around the world. Transaction Services revenue grew by 16 percent, thanks to strong business dynamics in all segments. Ingenico Group has continued to deploy new payment solutions for its customers to enable them to increase conversion rate on all channels and enhance consumer experience, as recently illustrated at Loewe (mobile checkout) and the FC Barcelona megastore (interactive self-service solutions).

Performance for the third quarter, by geography and on a like-for-like basis compared with Q3'13, was as follows:

- Europe-SEPA (up 9 percent): Growth was driven primarily by the deployment of the Group's strategy combining in-store, on-line and mobile payment, through innovative offers that enhance consumer experience (e.g., at Loewe, FC Barcelona). At the same time, Ingenico Payment Services has continued to sell its customers new services such as on-line fraud detection tools, and also to offer merchants more payment alternatives to generate new growth opportunities, as illustrated by the partnership with Yapital, a pan-European cashless cross-channel wallet.
- Asia-Pacific (up 16 percent): Ingenico Group has continued to achieve high growth rates in the region, leveraging its market leadership in China and its strategy for conquering Southeast Asia. The Group has won large orders in Indonesia thanks to its direct presence, while gaining further traction in other countries in the region, and most specifically in Singapore, and in Malaysia.
- Latin America (down 2 percent): Ingenico Group's contrasted performance in the region reflects a lower business activity with Brazilian customers which should not last with expected return to double digit growth in Q4'14. The Group has strengthened its expansion elsewhere in the region, becoming the sole supplier of Banco del Bajío in Mexico and posting strong growth in Colombia and Peru through the development of 3G.
- North America (up 69 percent): Ingenico Group's accelerating growth in the region was driven mainly by business in the United States (up 90 percent), where the Group has continued to deploy secure EMV and NFC payment solutions, fostered this quarter by demand from Tier 1 retailers preparing for the festive season. Ingenico Group has also continued to provide independent merchants with secure solutions on a growing scale through partnerships with processors, distributors (ISOs). For example, the Group has expanded its global collaboration with Elavon in the United States with two key EMV initiatives, and entered into a partnership with CardConnect and FreedomPay to deploy point-to-point encryption solutions that accept EMV and NFC payments. In Canada, Ingenico Group has carried out most of the major order from Moneris initiated in the first quarter.

- EMEA (up 20 percent): Ingenico Group has continued to achieve strong growth in EMEA through its expanded direct presence (particularly in Poland and Russia) and its increasingly dense distribution network in the region. In Italy, the Group has kept up deployment of payment solutions – terminals and mobile checkout – at a sustained pace in order to respond to new regulations requiring merchants to install electronic payment acceptance equipment. The Group has also forged ahead with its diversification strategy, deploying an end-to-end integrated payment solution at DKV service stations in Hungary.

- Central Operations: Ingenico Mobile Solutions has continued to expand in the United States and worldwide, as illustrated by its white-label offer to First Data in India and its partnership with Leapfactor in the United States, which facilitates integration of payment with customers' business applications.

## Outlook

During the first nine months of 2014, Ingenico Group achieved outstanding performance, in particular in its Payment Terminals business, thanks to accelerated deliveries, while increasing its shift towards Transaction Services. The Group expects business between the third and fourth quarters to be globally balanced as a consequence of early EMV deliveries in the United States and the seasonality of customer calls for tenders.

Accordingly, the Group now expects organic growth to exceed 15 percent – in line with the previously announced range of 14 to 16 percent. This should result in full-year reported revenue comprised between €1.465 billion and €1.475 billion.

In addition, the Group has raised its outlook for EBITDA margin, which is now expected to be between 22.5 and 23 percent- compared with its previous guidance of between 21.5 and 22.5 percent.

### *Consolidation of GlobalCollect*

Following completion of the acquisition of GlobalCollect on September 30, 2014, GlobalCollect will be fully consolidated as of October 1, 2014. Its contribution to Group revenue in the fourth quarter is expected to be approximately €90 million, generating an EBITDA margin of over 15 percent.

### *2014 outlook with GlobalCollect consolidated as of Q4*

Taking GlobalCollect's contribution in the fourth quarter into account, Ingenico Group expects consolidated reported revenue for 2014 to be between €1.555 billion and €1.565 billion, and EBITDA margin to be between 22 and 22.5 percent.

## Conference call

A conference call to discuss Ingenico Group's Q3 2014 revenue will be held on October 29, 2014 at 6.00pm., Paris time. Dial-in number: 01 70 99 32 08 (French domestic), +1 334 323 6201 (for the United-States) and +44 20 7162 0077 (international).

The presentation will also be available on [www.ingenico.com/finance](http://www.ingenico.com/finance).

*This press release contains forward-looking statements. The trends and objectives given in this release are based on data, assumptions and estimates considered reasonable by Ingenico Group. These data, assumptions and estimates may change or be amended as a result of uncertainties connected in particular with the performance of Ingenico Group and its subsidiaries. These statements are by their nature subject to risks and uncertainties as described in Ingenico Group registration document ("[document de reference](#)"). These forward-looking statements in no case constitute a guarantee of future performance, and involve risks and uncertainties. Actual performance may differ materially from that expressed or suggested in the forward-looking statements. Ingenico Group therefore makes no firm commitment on the realization of the growth objectives shown in this release. Ingenico Group and its subsidiaries, as well as their executives, representatives, employees and respective advisors, undertake no obligation to update or revise any forward-looking statements contained in this release, whether as a result of new information, future developments or otherwise.*

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## About Ingenico Group

Ingenico Group (Euronext: FR0000125346 - ING) is the global leader in seamless payment, providing smart, trusted and secure solutions to empower commerce across all channels, in-store, online and mobile. With the world's largest payment acceptance network, we deliver secure payment solutions with a local, national and international scope. We are the trusted world-class partner for financial institutions and retailers, from small merchants to several of the world's best known global brands. Our solutions enable merchants to simplify payment and deliver their brand promise.

Learn more at [www.ingenico.com](http://www.ingenico.com)  [twitter.com/ingenico](https://twitter.com/ingenico)

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## Contacts / Ingenico Group

Investors & Communication

**Catherine Blanchet**

VP IR & Corporate Communication

[catherine.blanchet@ingenico.com](mailto:catherine.blanchet@ingenico.com)

(T) / +33 1 58 01 85 68

Communication

**Coba Taillefer**

External Communications Manager

[coba.taillefer@ingenico.com](mailto:coba.taillefer@ingenico.com)

(T) / + 33 1 58 01 89 62

Investors

**Caroline Alamy**

Investor Relations

[Caroline.alamy@ingenico.com](mailto:Caroline.alamy@ingenico.com)

(T) / +33 1 58 01 85 09

Next events
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Conference call on Q3'14 revenue: October 29, 2014 at 6pm (Paris)

Q4'14 revenue and FY14 results: February 18, 2015

EXHIBIT 1:  
GlobalCollect revenue for the first nine months of 2014

(in millions of euros)	Q1'14	Q2'14	Q3'14	YTD 2014
Revenue	75	80	83	238

EXHIBIT 2:  
2013 pro forma key financial data

Pro forma revenue for 2013

*With Ingenico Group's European business and Transactions division now combined, Italy and Eastern Europe have been included in the EMEA region with effect from January 1, 2014, reflecting their primary orientation toward Payment Terminals. At the same time, following the disposal of TransferTo in December 2013, the Central Operations division now encompasses ROAM and central procurement. Healthcare revenue is now included in the Europe-SEPA region.*

(in millions of euros)	Q1 2013	Q2 2013	Q3 2013	Q4 2013	2013
Europe-SEPA	123	129	129	141	522
Asia-Pacific	47	63	64	69	241
Latin America	48	53	50	37	189
North America	21	30	31	42	124
EMEA	44	56	53	63	217
Central Operations	2	2	1	3	8
Total	285	333	328	354	1,301

2013 pro forma key financial data

*The key financial data have been restated, as of January 1, 2013, to reflect the disposal of TransferTo carried out on December 1, 2013 ("2013 pro forma") and presented on an adjusted basis (restated to reflect Purchase Price Allocation expenses recognized on acquisitions and divestitures).*

(in millions of euros)	2013 pro forma
Revenue	1,301
Adjusted gross profit	593
<i>As a % of revenue</i>	45.6%
Adjusted operating expenses	(358)
<i>As a % of revenue</i>	27.5%
Profit from ordinary activities, adjusted (EBIT)	235
<i>As a % of revenue</i>	18.1%
EBITDA	276
<i>As a % of revenue</i>	21.2%